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Reagan Sure He Didn't Allow Swap for Captives, Bush Says

J By David Hortman

Vice President Bush said last night that President Reagan "is certain to this very day that he did not authorize 'arms for hostages' " in his decision to supply U.S. weapons to Iran while seeking to win freedom for Americans captive in Leb-

ation.

But Bush did not reiterate his own claim, made last month, that the president did not trade arms for hostages.

In an address here to an international conference on terrorism, Bush attempted to restate the administration's antiterrorism policy, which has been badly damaged by the decision to self weapons to Iran,

a nation listed by the United States as sponsoring terrorism.

The arms sales have also become a political liability for the vice president, who chaired a terrorism task force last year and is launching his 1988 presidential campaign.

Bush, who participated in some key meetings on the arms deals but was left out of others, acknowledged again last night that "a wide-spread perception certainly exists that this administration traded arms for hostages, thereby violating our own strong policy of making no concession to terrorists.

"When all the facts are out, the American people can make up their own mind on that key question," he said. Bush did not offer his own view on this question at aid, "we must reaffirm our polles with a better understanding that there is a very thin and delicate line between talking with terrorists and negotiating with terrorists."

Referring to the efforts of Anglican church envoy Terry Waite, Bush said that "searching for ways to communicate with hostage-takers can be a ghostly business."

The question of whether an arms-for-hostages trade was under-

taken has been central to the unfolding disclosures about the Iran arms deals. Reagan said in his early speeches on the controversy that the United States did not make such a trade. Aides have said he continues to hold this view because the weapons did not go directly to the hostages' captors

In a memorandum dated Jan. 17, 1986, Vice Adm. John M. Poindexter, then the president's national security adviser, concluded that the approach to Iran "may well be our only way to achieve the release of the Americans held in Beirut." Reagan was briefed orally on the contents of this memorandum, with Bush and White House chief of staff Donald T. Regan present, according to a notation Poindexter made on the memo. The document also described an Israeli proposal to attempt to bring to power "a more moderate government" in Iran.

In his remarks last night, Bush recalled the interception of the Achille Lauro hijackers in October 1985 and the U.S. bombing raid on Libya last April and said: "It is... with a profound sense of loss that I view this existing perception that we have abandoned our policy of not negotiating with terrorists." He added that the administration "must reaffirm our policy" and said, "Out of adversity comes opportunity.

"And we now have the opportunity to restore the credibility of our policy, give it new meaning, and move forward with a renewed commitment in our battle against the terrorist threat," Bush added.

"We do not make concessions to terrorists. We do not pay ransoms. We do not release prisoners. We do not encourage other countries to give in to terrorists. And we do not agree to other acts that might encourage future terrorism," he said.

Bush, reviewing the recommendations of the terrorism task force, which issued a report last February,

said "we have made great progress in thwarting potential terrorist attacks."

He said "it is critical that wouldbe terrorists know that their actions will result in retribution" but added that "military solutions can never be our first choice." Prior to the April 15 Libya attack, the administration had been embroiled in a long-running internal debate over the wisdom of using military force against terrorists, a debate that remains unsettled.

"We have to stand up to terrorism, and we have to keep standing up until we stop it," Bush said. "That's why our policy has been, and continues to be, no concessions to terrorists."

In a December interview, Bush said he was "convinced" that the United States was not trading arms for hostages in the Iran dealings. However, since then evidence has emerged that such a trade was part of the Iran policy. Bush did not repeat the contention last night.

An aide to the vice president said Bush delivered the speech out of a conviction that Americans want the administration to "move forward" against terrorism despite the Iran scandal.

In other remarks, Bush said that William Buckley, identified in published reports as CIA station chief in Beirut, was tortured and killed by his captors. It was the first public confirmation of Buckley's death, although Bush did not say where he got his information or give details.

Bush's spokesman, Marlin Fitz-water, said the comment on Buck-ley's death "reflects an acceptance of the situation as we know it." He noted that Buckley's body has never been recovered. "The vice president feels there is enough information now to acknowledge" Buckley's death, he said.

The Washington Post reported in November that Buckley, a terrorism expert who was kidnaped March 16, 1984, died in Beirut, apparently in June 1985. His kidnapers first declared him dead later that year.

Bush is to travel today to Canada for a meeting with Prime Minister Brian Mulroney on acid rain and trade issues.